



Department of Justice

FOR IMMEDIATE RELEASE
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**JUSTICE DEPARTMENT WILL NOT CHALLENGE HOUSTON
HEALTH CARE GROUP PURCHASING ASSOCIATION PLAN**

WASHINGTON, D.C. -- Houston area businesses can join together to seek health care coverage at a lower price, under a plan approved today by the Justice Department's Antitrust Division.

The Houston Health Care Coalition will form the Group Purchasing Association to contract with health care providers to deliver health care services to members' employees and their dependents at predetermined rates. The association, a non-profit corporation, will operate in 13 counties surrounding Houston and contract with any health care provider that accepts the association's reimbursement schedule and meets objective quality criteria.

Today's action is part of an Administration effort, unveiled in September 1993, to encourage innovative arrangements to make health care available to more employees at a reasonable cost. The Justice Department is available to state its enforcement intentions concerning proposed business conduct with antitrust implications.

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The Department's approval was stated in a business review letter to the group's counsel from Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division. Bingaman said, "By enabling association members to jointly negotiate health care prices, the association will help ensure that health care services are provided at cost-effective rates."

Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Legal Procedure Unit of the Antitrust Division, Room 3235, Department of Justice, Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review will be added to the file.

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